

**IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION**

CAUSE NO. FSD ¹⁵⁸ OF 2010

IN THE MATTER OF THE COMPANIES LAW (2009 REVISION)

AND

IN THE MATTER OF LEIGHTON INTERNATIONAL LIMITED

PETITION

TO THE GRAND COURT

The humble petition of **LEIGHTON INTERNATIONAL LIMITED** shows that:-

Preamble

1. The object of this Petition is to seek the sanction of the Court for a Scheme of Arrangement between Leighton International Limited (the "Petitioner") and its sole member Leighton Holdings Limited (the "Leighton Parent") pursuant to sections 86 and 87 of the Companies Law (2009 Revision) (the "Companies Law") for the demerger of one of the Petitioner's undertakings, being its investment in Leighton Contractors (India) Pvt. Ltd ("Leighton India"). The resultant company upon demerger - Leighton International Holdings Limited ("Leighton Resultant Holdings") would hold the investments in Leighton India in exchange for the issue of shares by Leighton Resultant Holdings to the Leighton Parent (the "Demerger Scheme")

Background

2. The Petitioner, Leighton Resultant Holdings and Leighton India are all companies within the Leighton group of Companies (the "Leighton Group").
3. With over 15,700 employees worldwide, the Leighton Group's operations are spread throughout the Asia-Pacific region with projects in Australia, Hong Kong, Indonesia, Malaysia, Singapore, Philippines, Thailand, Vietnam, China, Taiwan, Sri Lanka, the near



Pacific and New Zealand. The Leighton Group offers a broad range of large scale contracting and project development services to both public and private sector clients from a wide range of industries. The activities of the various companies within the Leighton Group include large scale engineering and building construction projects, contract mining, environmental services, operations and maintenance, and facilities management.

4. The Leighton Parent is a limited liability company duly incorporated under the laws of Australia. The Leighton Parent is a publicly listed company on the Australian Stock Exchange and has its head office in Sydney, Australia.
5. The Petitioner is a wholly owned subsidiary of the Leighton Parent and is a Cayman Islands exempted limited company which was incorporated on 13 February 1997 with Company No. 71484. The registered office of the Petitioner is P.O. Box 1034 GT, Harbour Place, 4th Floor, 103 South Church Street, Grand Cayman, KY1-1102, Cayman Islands. The Petitioner holds investments in various companies in the emerging markets of India, Malaysia, Brunei, Central Asia and Africa and provides high level management guidance to those subsidiary companies.
6. Leighton Resultant Holdings is also a wholly owned subsidiary of the Leighton Parent and is a Cayman Islands exempt company incorporated on the 24 May 2010 with Company No. 241058. The registered office of Leighton Resultant Holdings is Close Brothers (Cayman) Limited Harbour Place, 103 South Church Street, P.O. Box 1034, Grand Cayman, KY1-1102, Cayman Islands. Leighton Resultant Holdings is a recently incorporated company does not currently operate any business.
7. Leighton India is a subsidiary of the Petitioner duly incorporated under the laws of India. The business of Leighton India includes a wide range of large scale civil engineering and building projects, offshore oil and gas operations, and telecommunications projects across India. Leighton India is currently a wholly owned subsidiary of Leighton International. Of the 141,876,312 shares of Leighton India currently in issue, the Petitioner holds 141,876,311 shares in its own name and is the beneficial owner of the remaining 1 share which is held by Leighton Contractors (Singapore) Pte Ltd.

The Demerger Scheme

8. The proposed Demerger Scheme involves the demerger of one of the Petitioner's undertakings, being its investment in Leighton India, to Leighton Resultant Holdings, in exchange for the issue of shares by Leighton Resultant Holdings to the Leighton Parent.
9. Specifically the Demerger Scheme will require:
 - 9.1.1. The Petitioner to transfer to Leighton Resultant Holdings the entire investment in Leighton India being 141,876,311 shares of Leighton India.
 - 9.1.2. Leighton Resultant Holdings to allot 30,897,368 ordinary shares to the Leighton Parent in exchange for the transfer of the Leighton India shares.

Purpose of the Demerger Scheme

10. The purpose of the Demerger Scheme is to undertake a reorganisation and reconstruction of the Petitioner in order that all of the Leighton Group's interests in India, currently represented by its investment in Leighton India, can be held through a dedicated holding company (being Leighton Resultant Holdings) rather than through the Petitioner which is a holding company and has a number of other subsidiaries across regions.
11. Through its activities with Leighton India, the Leighton Parent and the Petitioner have gathered a considerable amount of expertise and understanding of the business opportunities that exist in India. The Leighton Parent and the Petitioner have determined that India will be a key growth area for the Leighton Group in the near future as it provides numerous opportunities across those areas of commerce within which the Leighton Group already has expertise and experience. However, in order to take full advantage of the opportunities arising in India, it will likely be desirable to take on one or more strategic investment partners from India in order to expand the opportunities in that country to their maximum potential.
12. Currently, the Leighton Group's interests in India are undertaken through Leighton India which is a subsidiary of the Petitioner. However, the Petitioner also has a number of other subsidiaries based in countries other than India and as such its combined business interests are quite diverse. The Leighton Group is of the view that having regard to the business environment, challenges and opportunities in the various countries in which the

Petitioner holds its other investments and considering the estimated growth of business in India, it is preferable to have a separate holding company for the Indian investments. In this regard it is intended that the dedicated holding company (Leighton Resultant Holdings) will continuously identify and evaluate key business drivers and provide the necessary thrust to the Indian business through greater management focus and a dedicated team to provide strategic support for the Indian operations. Further, in order to maximise the attractiveness of the Leighton Group's Indian business to prospective investment partners from India, it has been determined that holding those interests in a dedicated holding company will allow Leighton Resultant Holdings to showcase the Leighton Group's Indian business interests to prospective Indian investment partners on a stand alone basis. By limiting Leighton Resultant Holding's business interests solely to those based in India, it would enable potential investment partners from India to more easily understand, and therefore value, any investment in Leighton India that they were considering.

Re-domicile of Leighton Resultant Holdings to Mauritius

13. In order to maximise the attractiveness of the Indian business interests of the Leighton Group to prospective investment partners from India, it has also been necessary to consider the jurisdiction of registration of the subsidiary through which those interests are to be held. It has been determined that although the Cayman Islands is the preferable jurisdiction through which to hold the Leighton Group's interest outside of India, the jurisdiction of Mauritius would be a much better jurisdiction from which to attract Indian investment partners for Leighton Resultant Holdings.
14. While both Mauritius and the Cayman Islands are well respected offshore jurisdictions which are politically stable, with a high level of professional expertise, well established judicial and banking systems, and are compliant with international bodies such as OECD, FAFT and the UN, Mauritius has a number of advantages over the Cayman Islands in relation to assets based in India. Mauritius has established itself as a market specialist for offshore investment from India, as a result of which most large and multi-national Indian companies (which Leighton Resultant Holdings would be trying to attract as investment partners) have historically undertaken the majority of their offshore transactions through Mauritius and it is therefore a jurisdiction that is both familiar and immediately

understandable to prospective Indian investors. In addition, Mauritius is in the same time zone as India, providing obvious advantages over the Cayman Islands from both an administrative and logistical point of view of a company holding business interests which are exclusively Indian. Finally, Mauritius has a strong double tax treaty network with many countries, including India, which provides certainty and a well defined basis of taxation for cross border transactions.

15. As such, although it is not a part of Demerger Scheme upon which the Petitioner is seeking Cayman Court sanction, as no such sanction is necessary, it is the intention of Leighton Resultant Holdings to seek deregistration in the Cayman Islands by way of continuation in Mauritius in the event the Court sanctions the Demerger Scheme.

Court Approval of Demerger Scheme

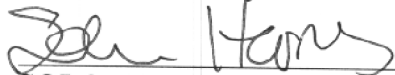
16. It has been determined that the most appropriate way to demerge the undertaking, being investment in Leighton India, from the Petitioner to Leighton Resultant Holdings is by way of Court sanctioned scheme of arrangement in accordance with s. 86 and 87 of the Companies Law. This is because the parent company of the Leighton Group, the Leighton Parent, is a publicly listed company in Australia. As such it is important that any reconstruction of the group structure should be subject to Court scrutiny to ensure that all stakeholders can be satisfied that the formal legal requirements of the relevant jurisdiction (being the Cayman Islands) have been complied with.
17. Additionally, the Directors also consider that it is desirable that the Demerger Scheme receive the sanction of the Cayman Court to ensure that the Demerger Scheme is undertaken through an independent process which has been considered by the Court such that the scheme is readily recognised and accepted by various authorities. It also provides comfort that the scheme has considered all aspects of the transaction and is transparent to the sole shareholder and the creditors.
18. Finally, undertaking the Demerger Scheme through a Court sanction process will give any potential investors from India the utmost confidence that the shares in Leighton India were transferred to Leighton Resultant Holdings in a way that not only complies with all of the relevant laws of the Cayman Islands but is also an accepted basis for reorganisation of business in India.

YOUR PETITIONER THEREFORE HUMBLY PRAYS THAT:-

1. The proposed Scheme of Arrangement as exhibited to the Affidavit of David George Savage filed in support be sanctioned by the Court pursuant to sections 86 and 87 of the Companies Law so as to be binding on the Petitioner, Leighton International Holdings Limited and Leighton Holdings Limited; and
2. In furtherance of Order 1 the Court grant the following Orders pursuant to sections 87(1)(a) and 87(1)(b) of the Companies Law:
 - 2.1. The Petitioner shall transfer to Leighton Resultant Holdings its entire investment in Leighton India, being 141,876,311 shares of Leighton India.
 - 2.2. Leighton Resultant Holdings shall allot 30,897,368 ordinary shares to the Leighton Parent in exchange for the transfer of the Leighton India shares.
3. Such other orders as the Court deems fit

AND your Petitioner will ever pray etc.

DATED the 17 day of June 2010.



**SOLOMON HARRIS
ATTORNEYS-AT-LAW FOR THE
PETITIONER**

NOTE: This petition is intended to be served on all interested parties

THIS PETITION was **PRESENTED** by **SOLOMON HARRIS** of 3rd Floor, FirstCaribbean Bank, P.O. Box 1990, Grand Cayman, KY1-1104, Cayman Islands, Attorneys-at-law for and on behalf of the Petitioner whose address for service is that of its said Attorney-at-law.